

1 vendor, we recommend that the Commission find no reason to believe that Steve Russell for
2 Congress and Robert Crookshank in his official capacity as treasurer violated 52 U.S.C.
3 § 30104(b) and close the file in this matter.

4 II. FACTUAL AND LEGAL ANALYSIS

5 Steve Russell was a 2014 candidate for the U.S. House of Representatives in Oklahoma's
6 Fifth Congressional District. In October 2014, Thompson Communications, Inc. ("TCI"), a
7 media vendor of the Committee, purchased air time from two television stations to air Russell's
8 campaign advertisements between October 15 and 26, 2014.³ The Complaint attaches copies of
9 the publicly available purchase contracts between TCI and each station. The contracts each list
10 the Committee as the advertiser and collectively charge TCI \$20,750.⁴

11 The Complaint alleges that the Committee violated the Act by failing to disclose this
12 media buy as a disbursement or a debt. In response, the Committee explains that it hired TCI to
13 produce and distribute advertising, incurred fees with TCI, paid TCI, and properly disclosed its
14 payments to TCI on its disclosure reports.⁵ TCI, in turn, contracted separately with the stations
15 and paid the stations for air time. Thus, the Committee asserts that it did not have to report the
16 amounts payable under the purchase contracts because the Committee did not directly incur debt
17 or disburse funds to either television station.⁶ The Committee asks the Commission to dismiss

³ Compl. at 1 and Attach.

⁴ Of that amount, \$3,113 consists of agency commissions earned by TCI in connection with the media buy.

⁵ Resp. at 10. The Committee reported a number of payments to TCI in its disclosure reports, and three were for the purpose of "media buy" around the time of the scheduled October 2014 advertisements: \$41,973 on September 3, \$47,665 on October 20, and \$123,285 on November 3. *Id.*; 2014 October Quarterly Report at 71 and 2014 Post-General Report at 40, 45, attached to Resp. at Exhs. 2-3. The Committee's response does not specify which of the reported disbursements to TCI are connected to the contracts at issue in this matter.

⁶ Resp. at 8.

1-1001-1001-1001

1 **III. RECOMMENDATIONS**
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- 3 1. Find no reason to believe that Steve Russell for Congress and Robert Crookshank
4 in his official capacity as treasurer violated 52 U.S.C. § 30104(b);
5 2. Approve the attached Factual and Legal Analysis;
6 3. Approve the appropriate letters; and
7
8 4. Close the file.
9

10 Aug 26, 2015
11 Date

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NON-COMMERCIAL